



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/890,815	02/06/2002	David Lockwood	53887-017	7720

20277 7590 07/16/2003

MCDERMOTT WILL & EMERY
600 13TH STREET, N.W.
WASHINGTON, DC 20005-3096

EXAMINER

DASS, HARISH T

ART UNIT

PAPER NUMBER

3628

DATE MAILED: 07/16/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Applicati n No.

09/890,815

Applicant(s)

LOCKWOOD, DAVID

Examiner

Harish T Dass

Art Unit

3628

-- The MAILING DATE f this communication appears n the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 01 May 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-7 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-7 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

DETAILED ACTION

Claim 7 is added and claims 1-7 are pending.

Claim Rejections - 35 USC § 101

1. Claims 1 and 7 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter, particularly, an abstract idea.

The Examiner notes that the disclosed invention is within the technological arts. The claimed invention is also noted not to be a computer program, data structure, a natural phenomenon, a non-descriptive material per se. The claimed invention does not include a series of steps to be performed by a computer. The claimed invention also is not a product for performing a process, nor is it a specific machine or manufacture. The claimed invention is not a specific tangible machine or process for facilitating a business transaction. Claims 1 and 7 do not appear to correspond to a specific machine or manufacture disclosed within the instant specification and thus encompass any product of the class configured in any manner to perform the underlying process. Claims 1 and 7 do not appear to correspond to a specific machine or manufacture, and thus encompass any product of the class configured in any manner to perform the underlying process. The claimed invention of claims 1 and 7 also do not include a post-computer process activity or a pre-computer process activity. Thus, no physical transformation is performed, no practical application in the technological art is found. Consequently,

Art Unit: 3628

claims 1 and 7 are analyzed based upon the underlying process, and are thus rejected as being directed to a non-statutory process.

See *State Street Bank & Trust Co. V. Signature Financial Group Inc.*, 47 USPQ2d 1597 (Fed. Cir. 1998) where the Federal Circuit held that:

" [T]he transformation of data, representing discrete dollar amounts, by a machine through a series of mathematical calculations into a final share price, constitutes a practical application of a mathematical algorithm, formula, or calculation, because it provides "a useful, concrete and tangible result".

Double Patenting

2. Claim 7 objected to under 37 CFR 1.75 as being a substantial duplicate of claim 1. When two claims in an application are duplicates or else are so close in content that they both cover the same thing, despite a slight difference in wording, it is proper after allowing one claim to object to the other as being a substantial duplicate of the allowed claim. See MPEP § 706.03(k).

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Art Unit: 3628

Claims 1-7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Eng et al (hereinafter Eng - US 6,188,993) in view of Zandi (US 5,966,699).

Re. Claims 1 and 3, Eng discloses a Inside Money (IM) is a synthetic currency transaction network that includes multiple mutual funds, a means for connecting potential borrowers to potential lenders of IM shares, and methods and techniques for conducting private IM share transactions, [entire document particularly, Abs; C2 L8-L35], receiving a plurality of first indications of offers (participants who wish to loan) to lend a security from respective lenders, each of the offers to lend a security indicating a corresponding quantity of the security and a corresponding fee [C7 L5-L11; C2 L24-L35; C2 L66 to C3 L6; C3 L27-L31; C5 L12-L15], and receiving a plurality of second indications of offers to borrow the security from respective borrowers, each of the offers (participants who wish to borrow) to borrow the security indicating a corresponding quantity of the security and a corresponding fee [C7 L5-L11; C2 L24-L35; C2 L66 to C3 L6; C3 L27-L31], and matching one of the offers from one of the lenders with one of the offers from one of the borrowers based on the corresponding quantity and the fee [C3 L7-L32] . Eng, explicitly, does not disclose sending a notification of a transaction between the one lenders and the one borrower based on the matched offer. However, Zandi discloses sending a notification of a transaction between the one lenders and the one borrower based on the matched offer [Zandi – C7 L27-L30; C45-L60]. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention

Art Unit: 3628

was made to combine disclosures of Eng and Zandi to send notifications to both parties (lender and borrower) of the acceptance or denial of the of the deal.

Re. Claim 2, Eng discloses further comprising recording the transaction in a database electronically accessible to a plurality of borrowers and lenders over at least one computer network and least one computer [C4 L52-L64].

Re. Claim 4, Eng discloses real time transaction [C3 L33-L45] Eng, explicitly, does not discloses computer system is strictly connected to separate listing financial incentives for real-time confirmation of acceptable financial transactions of the borrowing and lending of securities. However, Zandi discloses wherein said computer system is strictly connected to separate listing financial incentives for real-time confirmation of acceptable financial transactions of the borrowing and lending of securities (loans) [C1 L52-L61; C2 L49-L61; C3 L56 to C4 L26]. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to combine disclosures of Eng and Zandi to allow lender to submit bids and borrower to download bids from the server.

Re. Claim 5, Eng discloses Eng IM network and bulletin board system (internet accesses), server [C2 L24-L33; C4 L1-L6; C7 L5-L12]. Eng, explicitly, does not discloses at least one Web computer server for serving as host for computer browsers and providing said browsers with the capability to participate in various auctions of a single product at a specified time the specified number of the product available for sale,

Art Unit: 3628

and a Web server cooperating the set the database computer separate from some of servers, said computer based computer being in communication with at least one said Web computer server to allow retrieval product information which includes: a) securities description, b) a quantity of the security to be auctioned c) a duration of the auction, and d) a minimum amount and rate. However, Zandi discloses at least one Web computer server for serving as host for computer browsers and providing said browsers with the capability to participate in various auctions of a single product at a specified time the specified number of the product available for sale, and a Web server cooperating the set the database computer separate from some of servers, said computer based computer being in communication with at least one said Web computer server to allow retrieval product information which includes [C3 L19-L34], a). Securities description [C6 L1-L67], b). a quantity of the security to be auctioned [C8 L1-L5], c). a duration of the auction [C2 L28-L31], and d). a minimum amount and rate [C8 L2-L3; C10 L33-L45; C5 L41-L43]. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to combine disclosures of Eng and Zandi to provide a Web site as a communication link to external users (participants) that provides step-by-step information and instruction.

Claim 6 is rejected under 35 U.S.C. 103(a) as being unpatentable over Eng and Zandi as applied to claim 3 above, in view of Huberman (US 6,078,906).

Art Unit: 3628

Re. Claim 6, neither Eng nor Zandi, explicitly, disclose configured for implementing one or more auction mechanisms, including an English auction, a Dutch auction, a first price sealed bid uniform second price double auction, a simultaneous bidding hazard system, a handshake whisper time interval auction, a silent auction, a callable bid rotation auction, and a Swiss auction. However, Huberman discloses configured for implementing one or more auction mechanisms, including an English auction, a Dutch auction, a first price sealed bid uniform second price double auction, a simultaneous bidding hazard system, a handshake whisper time interval auction, a silent auction, a callable bid rotation auction, and a Swiss auction [C10 L31-L67]. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify disclosure of Eng and Zandi and include English auction, a Dutch auction, and other types, as taught by Huberman to provide different types of options for auctioning.

Response to Arguments

4. Applicant's arguments with respect to claims 1-6 have been considered but are moot in view of the new ground(s) of rejection.

5. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T Dass whose telephone number is 703-305-4694. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S Sough can be reached on 703-308-0505. The fax phone numbers


Art Unit: 3628

for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-746-7238 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

Harish T Dass *HTD*
Examiner
Art Unit 3628

7/10/03
July 10, 2003


HYUNG SOUGH
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600